



County of Los Angeles  
**CHIEF EXECUTIVE OFFICE**

713 KENNETH HAHN HALL OF ADMINISTRATION  
LOS ANGELES, CALIFORNIA 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA  
Chief Executive Officer

September 4, 2007

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**APPROVE AN ORDINANCE TO REPEAL THE PETROLEUM  
PIPELINE FRANCHISE GRANTED TO TRIO PETROLEUM INC.  
(FIRST DISTRICT) (3-VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve an ordinance to repeal the proprietary petroleum pipeline franchise granted to Trio Petroleum Inc. (Trio), by Ordinance No. 92-0077F.
2. Introduce, waive reading, and place on your Board's agenda for adoption the ordinance that implements the above recommendation, becoming effective 30 days from adoption thereof.
3. Find that this project is categorically exempt under the California Environmental Quality Act (CEQA) pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of the recommended actions is to repeal the petroleum pipeline franchise granted to Trio, which is no longer needed.

**Implementation of Strategic Plan Goals**

The County Strategic Plan directs that we provide the public with quality service that is beneficial and responsive (Goal 1). The Board's approval and adoption of an ordinance to repeal the Trio franchise is consistent with this goal.

Board of Supervisors  
GLORIA MOLINA  
First District

YVONNE B. BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

### **FISCAL IMPACT/FINANCING**

Trio has paid the County a one-time fee of \$2,500 to process an ordinance to repeal franchise Ordinance No. 92-0077F. The Trio franchise is no longer generating annual revenue to the County as all the applicable pipelines have been plugged and abandoned.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

On August 6, 1992, your Board adopted Ordinance No. 92-0077F granting a proprietary petroleum pipeline franchise to Trio for a term of 25 years, for Trio to maintain and operate an existing three-inch pipeline under San Gabriel Boulevard.

Trio purchased the pipeline from Texaco Exploration and Production Company, in order to transport oil and gas from Trio's two oil and gas wells located on federal land within the Whittier Narrows Basin (Basin), to Trio's tank battery and production facilities located adjacent to the Basin on San Gabriel Boulevard. Trio drilled and operated these two oil and gas wells pursuant to subsurface oil and gas leases and pooling agreements within the Montebello Oil and Gas Field, as delineated by the State of California Division of Oil, Gas and Geothermal Resources (DOGGR).

In 2002, the County of Los Angeles, the Los Angeles County Flood Control District, and the Water Replenishment District of Southern California, filed complaints stating that the operation of oil and gas wells within the Basin by Trio and other operators interfered with their water conservation and water replenishment efforts. Pursuant to various settlement agreements in 2003, Trio and several other operators agreed to remove their oil and gas wells and production facilities from the Basin.

Accordingly, under the supervision of a DOGGR representative in March 2004, a DOGGR-approved contractor plugged and abandoned all of Trio's oil and gas wells and pipelines within the Basin. Trio has provided the County with a copy of the DOGGR abandonment report and the daily logs maintained by the contractor, all witnessed by the DOGGR representative, showing that the three-inch pipeline under San Gabriel Boulevard was flushed of petroleum products and filled with cement.

Trio has requested that your Board adopt an ordinance to repeal pipeline franchise Ordinance No. 92-0077F, which is no longer needed. Trio has signed a statement certifying that all applicable pipelines were abandoned in compliance with the County Highway Code. County Counsel has reviewed the accompanying ordinance to repeal the Trio franchise and approved it as to form.

**ENVIRONMENTAL DOCUMENTATION**

The recommended actions are categorically exempt under CEQA pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 or the State CEQA Guidelines.

**IMPACTS ON CURRENT SERVICES (OR PROJECTS)**

The recommended Board actions will not impact or adversely affect any current services or future projects.

**CONCLUSION**

Instruct the Executive Officer, Board of Supervisors, to send conformed copies of the Board's action to: Mr. Steven A. Rowlee, Manager of Land, Trio Petroleum, Inc., 5401 Business Park South, Suite 115, Bakersfield, CA 93309, and to the offices of County Counsel, Department of Public Works, Fire Department, and the Chief Executive Office, Real Estate Division.

Respectfully submitted,



WILLIAM T FUJIOKA  
Chief Executive Officer

WTF:DL  
JSE:RB:dd

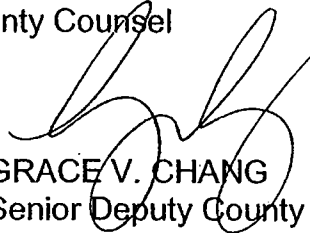
Attachments

c: County Counsel  
Department of Public Works  
Fire Department

## ANALYSIS

This ordinance repeals Ordinance No. 92-0077F, which granted a proprietary petroleum pipeline franchise to Trio Petroleum, Inc.

RAYMOND G. FORTNER, JR.  
County Counsel

By   
GRACE V. CHANG  
Senior Deputy County Counsel  
Property Division

GVC:ss

03/26/07 (requested)

03/26/07 (revised)

**ORDINANCE NO. \_\_\_\_\_**

An ordinance repealing Ordinance No. 92-0077F, which granted a proprietary petroleum pipeline franchise to Trio Petroleum, Inc.

The Board of Supervisors of the County of Los Angeles ordains as follows:

**SECTION 1.** Ordinance No. 92-0077F, adopted August 6, 1992, which granted a proprietary petroleum pipeline franchise to Trio Petroleum, Inc., is hereby repealed.

[TRIOPETROFRNGCCC]